

(DRAFT)

SALE OF PARK HEIGHTS APARTMENTS PROJECT

RELATING TO

\$5,520,000 County of San Bernardino, California
Multifamily Housing Revenue Refunding Bonds 1998 Series A
(Nova Park Heights Apartments) [Redeemed]

OWNER'S COMPLIANCE CERTIFICATE

The undersigned, **CAPITAL FORESIGHT-INLAND EMPIRE, L.P., A CALIFORNIA LIMITED PARTNERSHIP** (the "Owner"), DOES HEREBY CERTIFY with respect to the following representations that:

1. The Owner is the owner of a 192-unit multifamily residential rental housing project located at 2011 Arden Avenue, City of San Bernardino, California and commonly known as the Park Heights Apartments (the "Project"). The Project was financed with the proceeds of the above-captioned bonds (the "Bonds"), which have been redeemed in full. In conjunction with the issuance of the Bonds, the County entered into an Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants dated as of April 1, 1990, (the "Original Regulatory Agreement") as amended by that certain Amendment To Regulatory Agreement, dated as of September 1, 1998 (the "First Amendment Regulatory Agreement," together with the Original Regulatory Agreement, the "Regulatory Agreement") each by and among the County, the Bond trustee and the owner at the time (each a "Prior Owner").

2. The Owner assumed all the duties and obligations of the most recent Prior Owner under the terms of the Regulatory Agreement pursuant to the terms of an Assignment, Assumption and Consent Agreement (the "**Agreement**") dated as of July , 2003, by and among Transferor, the County and Steadfast Park Heights, L.P., a California limited partnership the most recent Prior Owner.

3. To the Owner's actual knowledge that to the best of his knowledge, none of the proceeds of the Loan were used to acquire or construct (i) a private or commercial golf course; (ii) a country club; (iii) a massage parlor; (iv) a tennis club; (v) a skating facility of any type; (vi) a racket sports facility of any type; (vii) a hot tub facility; (viii) a suntan facility; (ix) a racetrack; (x) an airplane; (xi) a skybox or any other type of private luxury box; (xii) a health club facility of any type; (xiii) a gambling facility of any type; and (xiv) a store that sells alcoholic beverages.

4. Since its purchase of the Project, the Owner has been in compliance with the requirements of the Regulatory Agreement. Further, to best of his knowledge, the Project has been in continuous compliance from the date of issuance of the Bonds with certain procedures established under the Regulatory agreement.

Park Heights Apartments
Owner Compliance Certificate
July __, 2003

[SIGNATURE PAGE FOR THE OWNER'S COMPLIANCE CERTIFICATE]

CAPITAL FORESIGHT-INLAND EMPIRE, L.P.,
a California limited partnership,

By: **Saidoff Enterprises, LLC,**
a Delaware limited liability company,
General Partner

By: _____
Naty Saidoff,
Manager